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2010 APR 20 ulied United ConocoPhillips.com

PUBLIC SERVICE COMMISSION

April 20, 2009

Ms. Kate Whitney
Public Service Commission of Montana
1701 Prospect Avenue
P.O. Box 202601
Helena, MT 59620-2601

VIA FACSIMILE AND U.S. MAIL

Ms. Whitney:

ConocoPhillips Company (COP) has received your letter dated April 2, 2009, stating that COP was identified as an electricity supplier that uses NorthWestern Energy's transmission and/or distribution facilities to deliver electricity to retail customers in Montana. The letter also states that competitive electricity suppliers are required to submit to the Montana Public Service Commission no later than March 31 of each year their annual reports demonstrating compliance with Montana's renewable portfolio standards, including procurement plans for meeting the applicable current renewable energy standard.

COP has not submitted the referenced reports because it does not believe it is a "competitive electric supplier," as that term is defined in MCA § 69-3-2003(4). Specifically, COP does not serve "small customers" (as defined in MCA § 69-3-2003(11)) with an average demand less than 5,000 kilowatts. As you know, COP stated in its original filling to become licensed as a supplier in Montana that it intended to neither solicit nor serve residential or small commercial customers, and this is still the case.

If you should have additional questions, please feel free to call Chuck Eisenhardt at 281.293.4237, or me at the number above.

Julie Unruh